

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND)	
ELECTRIC COMPANY FOR AN ADJUSTMENT)	CASE NO.
OF ITS ELECTRIC AND GAS RATES)	2014-00372

COMMISSION STAFF'S REQUEST FOR INFORMATION
TO THE ATTORNEY GENERAL OF THE COMMONWEALTH OF KENTUCKY

The Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention ("AG"), pursuant to 807 KAR 5:001, is to file with the Commission its electronic responses, a paper original, and three copies of the following information. The information requested herein is due no later than April 6, 2015. Responses to requests for information in paper medium shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

The AG shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which

the AG fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When filing a response containing personal information, the AG shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the response so that personal information cannot be read.

1. Refer to the Testimony of Frank W. Radigan (“Radigan Testimony”), page 7, lines 1-2. It states, “The table below summarizes the revenue requirement impact of my adjustments.” However, there is no table such as that described in the sentence. Provide the missing table.

2. Refer to the Radigan Testimony, page 11, lines 12-14, and page 19, lines 27-28. The sentence on page 11 states, “Given that some of the important variables will not be decided until after the rates are set in this case, I would suggest that this emphasizes the need for caution.” The sentence on page 19 states, “This issue points to a potential danger in future test years in that it relies on forecasts.” As the Commission’s statutes and regulations provide for use of a forecasted test period consisting of the first 12 months after the end of the suspension period, such a test period may reflect changes that (1) occur after new rates become effective, and (2) are based on forecasts. Explain whether Mr. Radigan is generally opposed to the

recognition of cost changes that occur during a forecasted test period and/or changes based on forecasts.

3. Refer to the Radigan Testimony, page 19, lines 28-30, where he states, "Here there has been no presentation of past forecast and budget accuracy so we have no way to gauge how well the Company is truly performing with regard to headcount." Explain whether Mr. Radigan is unfamiliar with Louisville Gas and Electric Company's responses to the data requests of the Kentucky School Boards Association ("KSBA") regarding variances in headcounts, which were used by KSBA witness Willhite in his direct testimony.

4. Refer to the Radigan Testimony, page 28, lines 19-23, where he refers to combined cycle units much more closely resembling a steam production facility than a combustion turbine. He also states, "Thus their capacity factor is like a steam unit in the 40-85% range rather than a 3%-5% range typical of a combustion turbine."

a. Explain whether the 40-85 percent capacity factor referenced by Mr. Radigan reflects:

(1) Publicly available information on the capacity factors of existing steam production facilities;

(2) Publicly available information on the capacity factors of existing combined cycle units; or

(3) Mr. Radigan having ascribed the capacity factor range of steam production facilities to combined cycle units.

b. If the 40-85 percent capacity factor range is based on publicly available information on existing combined cycles units, provide the public information on which Mr. Radigan relied.

5. Refer to the Radigan Testimony, pages 29-30. State whether the AG is proposing the establishment of a tariff mechanism similar to the Tariff S.S.C. (System Sales Clause) of Kentucky Power Company. If so, provide the specific format and details of the tariff mechanism proposed.



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DATED **MAR 23 2015**

cc: Parties of Record

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